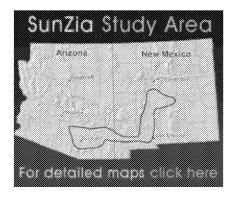
NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) ANNUAL REPORT FOR 2013

- 41 Draft and Final EIS Reviews and Responses
- 299 Project Notifications, i.e. CDBG, HUD, NOIs, NOA, etc.
 - 9 EPA Special Appropriation EA/FNSI or CE for Drinking and Wastewater Projects
 - 1 EPA and US Mexico Border EA/FNSI or CE for Drinking and Wastewater Projects
- 20 Environmental Assessments from Other Agencies Review and Response
- 16 Scoping and Information Requests
- 8 New Cooperating and Participating Agency Agreements

ENERGY

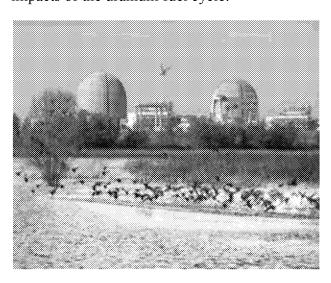
SUN ZIA TRANSMISSION LINE PROJECT



The Bureau of Land Management (BLM) developed an Environmental Impact Statement (EIS) for the proposed Sun Zia Southwest Transmission Project. The BLM is the lead federal agency for the process, which is being conducted pursuant to the National Environmental Policy Act, Federal Land Management and Policy Act, and associated regulations. Cooperating agencies will be invited and may include the Bureau of Reclamation, the U.S. Army Corps of Engineers, the New Mexico State Land Office, and the Arizona State Land Department. Other state and local governments were invited to participate in the process, and consultation has occurred with local, state, and tribal governments. EPA Regions 6 and 9 responded to the BLM on the Draft and Final EIS and Resource Management Plan Amendments. BLM is preparing a Record of Decision (ROD) document to complete the NEPA review process thus allowing project construction to begin.

SOUTH TEXAS UNITS 1 AND 2 NUCLEAR REACTOR RE-LICENSING

The South Texas Project Nuclear Operating Company (STPNOC) submitted the license application to the Nuclear Regulatory Commission (NRC) in order to ensure nuclear power generation capability beyond the current lease expiration date on 2028. Units 1 and 2 are located in Matagorda County, Texas approximately 5 miles from the city of Matagorda. EPA participated in national conference calls with the NRC and Office of Federal Activities (OFA) to discuss the implications of NRC's strategy for addressing radioactive waste storage in upcoming EIS's. EPA reviewed and responded to the NRC draft General EIS on February 2013 and rated it "EC-2". EPA has concerns about the re-licensing impacts to groundwater and the off-site impacts of the uranium fuel cycle.



BARYONYX WIND FARM



EPA Region 6 became a Cooperating Agency on the proposed wind farm on April 5, 2013 which enables the agency to participate in the planning, and discuss environmental issues early in the development process. The U.S. Army Corps of Engineers, Galveston District received a permit application for a Department of the Army (DA) Permit from Baryonyx Corporation, Inc. The applicant proposes to construct and operate approximately 300-wind turbines in an offshore wind farm offshore of South Padre Island, Texas. The Galveston District will prepare an prepare an Environmental Impact Statement (EIS) in compliance with the National Environmental Policy Act. The NEPA program will meet with USACE and monitor the progress of the project.

ROCA HONDA URANIUM MINE

The NEPA program reviewed and responded to the Draft EIS (DEIS) for the Roca Honda mine project. The DEIS received a rating of Environmental Objections-Inadequate (EO-3). The U.S. Forest Service (USFS) is evaluating a permit application from Roca Honda Resources to develop and conduct underground uranium mining operations in the Mt. Taylor Ranger District of the Cibola National Forest. The project is within the Grants Mineral Belt, a region with many Tribal communities and known for legacy issues related to past uranium mining and milling. There are potentially significant adverse impacts to groundwater quantity and quality from the proposed mine; and the Draft EIS is inadequate because it does not provide detailed information on how the USFS will provide the financial assurance needed to implement post-closure obligations. There is also concern about the impact of the mine on tribal cultural resources and environmental justice communities.



LIQUIFIDED NATURAL GAS (LNG) PROJECTS

Due to the increased world need for LNG, on-shore and offshore terminals are being proposed and developed to accommodate future demand. In Region 6 there are currently 12 existing and proposed LNG import and/or export facilities along the Texas and Louisiana Coast under either the US Coast Guard or the Federal Energy Regulatory Commission jurisdiction. Draft and Final Environmental Impact

Statements are required to document the potential environmental impacts of these facilities on the environment. EPA 6 is actively engaged in the environmental review process through cooperating agency agreements which enables EPA to participate early in the developmental process.

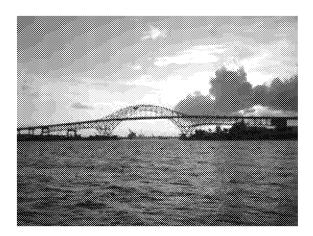
NET MEXICO PIPELINE PROJECT

NET Mexico will be an important source of supply to meet Mexico's growing demand for natural gas. The gas will be produced from the Eagle Ford Shale formation in Texas. We provided comments and agreed to be a Cooperating Agency to assist Federal Energy and Regulatory Commission (FERC) in the NEPA review process. FERC intends to prepare an Environmental Assessment (EA) analyzing the impacts of the NET Mexico Pipeline Project. NET Mexico proposes to construct a new border crossing at the international boundary between the United States and Mexico in Starr County, Texas. The project would consist of constructing approximately 1,400 feet of 48-inch-diameter natural gas pipeline, directionally drilled underneath the Rio Grande in Starr County, Texas.



TRANSPORTATION

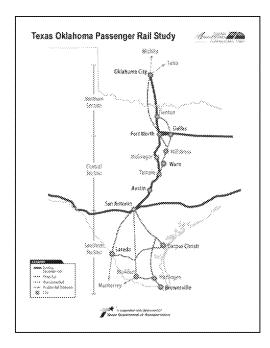
HARBOR BRIDGE REPLACEMENT



The FHWA, TxDOT, and NEPA program are evaluating the impacts of replacing the Harbor Bridge in Corpus Christi, TX. The bridge replacement and related roadway improvement will address structural deficiencies and improve safety, connectivity, and level of service in the area. EPA became a cooperating agency in July 2011. In FY12, the region participated in oversight meetings with the TxDOT/FHWA project team to discuss preliminary planning issues. In FY13, the region participated in more oversight and planning meetings and began reviewing and providing comments on the Preliminary Draft Environmental Impact Statement (EIS). The project recently gained momentum when TxDOT secured funding for the project. The Draft EIS should be completed in early 2014.

TEXAS-OKLAHOMA PASSENGER RAIL STUDY AND TULSA-OKLAHOMA CITY PASSENGER RAIL CORRIDOR PLAN

EPA was invited by the Federal Railroad Commission, along with the Texas Department of Transportation, and the Oklahoma Department of Transportation, respectively, to be involved early in the planning phases of the projects. Two regional passenger rail development studies are underway. The Texas-Oklahoma Passenger Rail Study was initiated to study the potential for new and/or improved high-speed intercity passenger rail service along an 850-mile corridor extending from Oklahoma City, Oklahoma, to the south Texas cities of Laredo and Brownsville. The Tulsa-Oklahoma City Passenger Rail Plan was initiated to evaluate passenger rail alternatives for the 106-mile corridor between Tulsa and Oklahoma City. EPA monitor the progress of both projects.

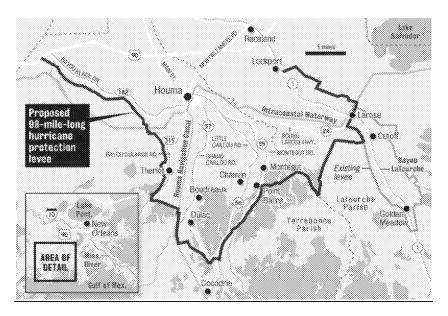




GULF OF MEXICO

MORGANZA TO THE GULF OF MEXICO PROJECT

The U.S. Army Corps of Engineers (Corps) is planning to construct the Morganza to the Gulf hurricane and storm damage risk reduction system project to prevent future disasters in southern Louisiana. The project is south of Houma in southeast Louisiana. The region reviewed and responded to the Draft (February 2013) and Final (June 2013) Revised Programmatic EISs (RPEIS). During the Draft RPEIS review, the region met with the Corps to discuss our concerns. Our concerns relate to potential significant adverse impacts to environmental justice and tribal communities, coastal wetlands, navigation, and fisheries. These significant adverse impacts included the direct, indirect, and cumulative effects of the proposed project. In addition, the DRPEIS did not contain sufficient information to fully assess direct, indirect, and cumulative impacts. The Corps addressed EPAs concerns, however the project still has the potential to cause profound long-term impacts to wetlands, water quality, fisheries, and navigation.



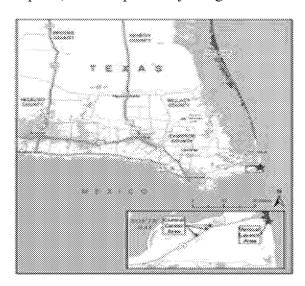
SOUTH PADRE ISLAND 2nd ACCESS

A second bridge over the Laguna Madre from mainland Texas to South Padre Island is being planned to improve safety, increase mobility, increase economic development, and provide efficient hurricane evacuation. The project is in an environmentally sensitive area, which includes endangered species and their habitat, wetlands, mudflats, and sea grasses. EPA has reviewed and responded to the Draft EIS that was rated as EO-2 due to significant impacts to the natural environment. The project team has performed multiple evaluations using multiple criteria and resource weighting. In the near future, the project team will hold individual meetings with each commenting agency, beginning with EPA to discuss alternatives and criteria.



SPACE X TEXAS LAUNCH SITE

EPA Region 6 reviewed and commented on the Federal Aviation Administration (FAA) Office of Commercial Space Transportation (AST) SpaceX Draft Environmental Impact Statement (DEIS). The DEIS evaluates the potential environmental impacts resulting from the FAA/AST proposal to issue launch licenses and/or experimental permits allowing Space Exploration Technologies Corporation (SpaceX) to launch the Falcon 9 and Falcon Heavy orbital vertical launch vehicles and a variety of reusable suborbital launch vehicles from a launch site on privately owned property in Cameron County, Texas. As proposed, EPA believes the Proposed Action could have significant adverse impacts on special aquatic sites of national importance. EPA's comments strongly recommend the dispute resolution process be completed prior to filing and releasing the Final EIS for agency and public review. Any mitigation should be made part of the Record of Decision document. Other impacts of concern include: alternative analysis, air quality, vegetation, wildlife, environmental justice, tribal coordination, secondary and indirect impacts, and compensatory mitigation.



WATER INFRASTRUCTURE

LUCE BAYOU INTER-BASIN TRANSFER PROJECT

The United States Corps of Engineers (USACE) is constructing the Luce Bayou Inter-basin Transfer Project in order to meet Houston's municipal water supply needs. The Project will supply Houston with approximately 450 million gallons daily (mgd) water from existing water rights held on Lake Livingston. The water will be transferred from Lake Livingston, in the Trinity River basin, to Lake Houston, in the San Jacinto River basin. The water will travel 28 miles via a gravity fed earthen canal and pipeline. EPA reviewed and responded to the USACE draft EIS on December 2012 and rated it "EC-2". EPA has concerns about wetland impacts and the lack of water conservation measures proposed in the Draft EIS. At this time, it is unknown when the Final EIS will be submitted to EPA for review.

EPA SPECIAL APPROPRIATIONS FOR DRINKING AND WASTEWATER PROJECTS

In FY 2013, National Environmental Policy Act assessments were conducted on nine projects involving approximately \$4,563,016 dollars in Federal funding, and directly benefitting approximately 2,647,400 local residents. The projects involved construction or rehabilitation/renovation in four of the five Region 6 states with the breakdown as follows:

Louisiana (2)-City of Baton Rouge/waste water, City of Golden Meadow/drinking water; New Mexico (3)-Bernalillo County/waste water, City of Espanola/drinking water and waste water, City of Las Cruces/drinking water; Oklahoma (1) Tribe-Cherokee Nation/waste water, and Texas (3)-City of Lorena/waste water, City of Lubbock/waste water, Richmond-Rosenberg Local Government Corporation/drinking water.

BECC WASTEWATER COLLECTION SYSTEM IMPROVEMENTS FOR CARMARGO, MEXICO

EPA is preparing an environmental assessment to support the Comision de Agua Potable y Alcantarillado (COMAPA) of Camargo, Tamaulipas, Mexico plan to rehabilitate existing wastewater infrastructure for the City of Camargo and construct a new wastewater collection

system for neighboring colonias without adequate treatment facilities. The project would utilize \$887,794 EPA funds and \$814,046 local funds to treat approximately 1.17 million gallons daily (mgd). This project is being constructed because the existing wastewater treatment system for Camargo is inadequate. The lack of adequate wastewater treatment has the potential to contaminate local aquifers and surface water.